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January 8,2003

Marlene H. Dortch Sccretary Federal Communications Commission 445 l'welfth Street, S.W. Washington, D.C. 20554

ATTN: David Brown

Re: Docket No. MB 02-235

Ex Parte Presentation, **DA** 02-2082

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PEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

Dear Ms. Dortch:

On behalf of Spanish Broadcasting System, Inc., there is transmitted herewith an original and one (1) copy of a memorandum summarizing an oral <u>ex parte</u> presentation made to Chairman Michael Powell on January 7, 2003.

Should any questions arise with regard to this matter, kindly communicate directly with this office.

Very truly yours,

KAYE SCHOLER, LLP

Bruce A. Eisen

Enclosure

cc: Qualex International/Rm CY-B402

Chairman Michael Powell

Susan Eid

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EX PARTE MEMORANDUM (Docket No. MB 02-235)

On January 7,2003, Spanish Broadcasting System, Inc. ("SBS") made an <u>ex parte</u> presentation to Chairman Michael Powell, pursuant to the Commission's Public Notice in the above-referenced docket, released August 26, 2002.

The presentation demonstrated the way in which Clear Channel Communications, Inc. ("CCC") had misrepresented facts to the Commission and conspired to control United States Hispanic radio in violation of the Commission's ownership limits and the anti-trust laws. Raul Alarcon, Jr., President and Chief Executive Officer of SBS, made the presentation. SBS showed that the proposed transfer of control, which would result in the merger of Hispanic Broadcasting Corporation ("HBC") and Univision Communications, Inc. ("Univision"), would not comply with the public interest. The presentation addressed CCC's meaningful business relationship with HBC which has produced legal and anti-competitive actions, and which has impaired SBS's and other's ability to effectively compete in the market place. The presentation demonstrated that HBC and CCC have attempted to circumvent the Commission's ownership limits through CCC's ownership interest in HBC.

The wrongful activity also extends to Univision and Entravision Communications Corporation, which is affiliated with Univision, and in which Univision maintains what should be considered to be an attributable ownership interest. Thus, the Commission has been presented with another transaction fraught with the same willful violations of which CCC and HBC are guilty.

The <u>ex parte</u> presentation also addressed matters of whether or not Spanish-language media comprise their own market, and the impact that the proposed merger would have upon such a market.

The public interest deserves better protection from government regulators because the relationship among the parties to the merger are not what they appear to be on the surface. Commission approval of the transaction will result in the elimination of competitive voices in the market place and the reduction of minority ownership in media.